



SUMMER 1996

California

DEMOGRAPHICS

CALIFORNIA DEPARTMENT OF FINANCE

CRAIG L. BROWN, DIRECTOR

Message from the State Demographer

By Linda Gage

The entire demographic staff contributed to the analysis underlying our feature article "California Demographics at Mid-Decade." The article would not have been possible without census data collected every ten years from the entire population and survey data collected each year from a sample of the population. Sampling provides a means of refreshing and updating information for the total population based on responses from a representative subset of the total.

The Census Bureau is now proposing to increase the use of statistical sampling and estimation in the Year 2000 Census. Some people who receive census forms don't fill them out and send them back—even after repeated efforts by the Census Bureau to collect their information. So in

Continued on page 8

About the article and author:

Richard Lovelady suggested an analysis of current California data against a backdrop of historical data to present a demographic view of our state between censuses. He has worked with census and demographic survey data for decades. He knows the content, coverage, comparability, and reliability issues surrounding interpretation of these various data sets. This article is the result of his creation of special data bases and tabulations for us to analyze and his leadership in integrating our analysis by topic. Hopefully, it is true to his vision of "California Demographics at Mid-Decade."

Continued on page 4

California Demographics at Mid-decade

By Melanie Martindale

CPS survey data and DRU population estimates for 1981-95 show that several demographic trends observed in the 1990 decennial census and visible in the eighties have continued during the first half of the nineties, intensifying California's already famous diversity. Thanks partly to mass media attention, most of these trends are now-familiar topics: the population as a whole is growing, though at a reduced rate, and is getting older;

foreign immigration continues at high levels; and fertility rates continue to differ markedly across race and ethnic groups. What has been demographically 'new' during the first half of this decade is the net outmovement of California residents to other states. Though this net outmovement appears to be slowing (its size probably peaked in 1994) and its future pattern is uncertain, the other trends will most likely continue through the rest of this century.

Continued on page 4

Legal Immigrants

Are Recently Legalized Immigrants Living in California Similar to Those in the Rest of the United States?

By Judi McClellan

The Immigration Reform and Control Act of 1986 (IRCA) was landmark immigration legislation that allowed illegal immigrants to apply for legal status if they met certain requirements. Proving residence in the U.S. as of 1982 met a main condition for legalization. Under this provision approximately 1.6 million people obtained legal status¹. Over half resided in California. In compliance with the mandates of IRCA, the U.S. Department of Labor has recently released the results of a two-part longitudinal survey of IRCA immigrants. This national survey, administered in 1989 and 1992, garnered information on a variety of topics. Over 6,000 IRCA immigrants were interviewed in the first survey and over 4,000 were interviewed again in the follow-up survey. Our primary interest is whether information from the survey demonstrates differences between IRCA immigrants in California and IRCA immigrants in the rest of the country. As expected, both differences and similarities exist between California and non-California IRCA immigrants.

Country of Citizenship

Although the majority of IRCA immigrants throughout the U.S. were from Mexico and Central America, these regions were predominant among the California IRCA immigrants. In the "other" category for California, countries most represented were the Philippines, Iran, Canada, United Kingdom, and Thailand. In the "other" category outside of California, countries most represented were Columbia, Dominican Republic, Poland, Haiti, Jamaica, and Ecuador.

Family/Household/Marital Status

California IRCA immigrants had larger families and households. They were more likely than their non-California counterparts to be living with (1) a parent or parents, (2) a sibling or brother/sister-in-law, (3) children or daughter/son-in-law, or (4) another relative. This difference held through the second survey, although by survey two many of the single immigrants had married. This coincided with a decrease in the percentage of immigrants in both groups living with a parent, sibling, or in-law and an increase in the percentage living with children. California IRCA immigrants were more likely to be married and living with their spouse. The non-California group were more likely to have a spouse living outside of the U.S. California IRCA immigrants were more likely to have children born in the U.S.

Income/Education

California IRCA immigrants had a higher proportion that reported no personal income from wages (most of whom reported to be homemakers or students). They also had larger percentages in higher family income categories than their non-California counterparts. However, as noted earlier, California IRCA

Continued on page 3

Editorial Information

Linda Gage, Chief

Mary Heim, Assistant Chief

Dolores Lykins, Coordinator

The Demographic Research Unit was established as the official State source to provide demographic data to all levels of government and to the private sector with information to aid in effective planning and policy making.

We invite readers to submit announcements of news and upcoming events, to suggest topics and respond to articles in *California Demographics*.

Please address correspondence to Linda Gage:

Demographic Research Unit
California Department of Finance
915 L Street, Lower Level
Sacramento, CA 95814
Telephone: (916) 322-4651
Fax: (916) 327-0222

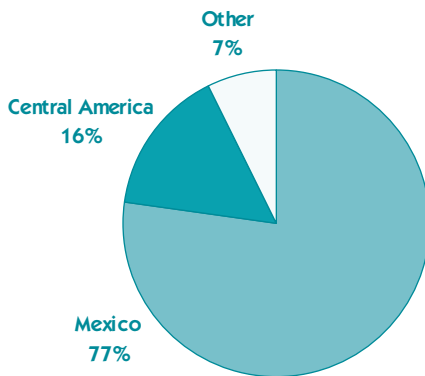
e-mail address:
cf1.ficalpop@ts3.teale.ca.gov

Internet address:
<http://www.dof.ca.gov>

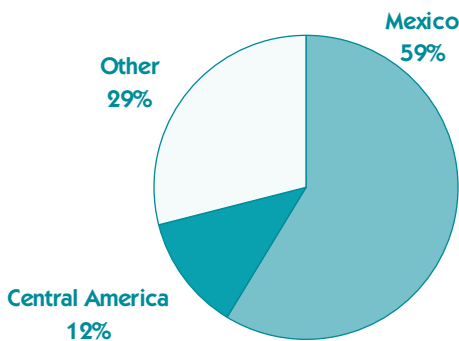
If your name and address are inaccurate or you wish to be dropped from the mailing list, return the entire label, noting changes, to the above address attn: Dolores Lykins. You may also contact Dolores to be added to the mailing list.

¹Another means of legalization was through the Special Agricultural Workers' (SAW) designation. Immigrants who met this condition were not included in this survey.

**Country of Citizenship
California**



**Country of Citizenship
Non-California**



immigrants also had larger families, on average. Non-California immigrants reported higher educational achievement. About half in both groups reported having less than 9 years of formal education. By survey two, both groups report an increase in percentage with 13 or more years of education.

Immigration

California IRCA immigrants were most likely to enter the U.S. illegally and to pay someone to get them across the border. Non-California IRCA immigrants also were most likely to enter the U.S. illegally, but less likely to pay someone. Non-California IRCA immigrants were more likely than the California group to use a visa to get into the U.S. and then to overstay after the visa was no longer valid.

Rural/Urban

Just over half for each group reported that they had lived on either a farm or in a small town in their home country. Just under half for each group reported that they had lived in a large city or suburb in their home country.

Occupation

Non-California IRCA immigrants were more likely to work in a service-oriented occupation as a first job in the U.S. California IRCA immigrants were equally likely to work in either a service or operator-fabricator-laborer type of occupation as a first job. By the second survey in 1992, the percentage of either group working in the service industry declined; however, service jobs remained the most reported type of job for non-California IRCA immigrants. Also, by the second survey, both groups steadily increased the percentage working in managerial and professional occupations.

Remittances

Focusing only on cash remittances and not gifts or consumer goods, both groups were equally likely to send money to someone in their home country according to the first survey. Around 60 percent report sending money back home in survey one. By survey two, the percentage dropped somewhat for both groups (a slightly larger drop for the California group) as well as the average amount sent. Nevertheless, over half report sending cash remittances back home in survey two.

Sources:

Immigration Reform and Control Act: Report on the Legalized Alien Population. U.S. Department of Justice, Immigration and Naturalization Service (March 1992).
Legalized Population Survey Public Use Tape: Matched 1989-1992 file. U.S. Department of Labor, Bureau of International Labor Affairs, Division of Immigration Policy and Research.

California Demographics at Mid-decade...continued from page 1

Total Population Growth & Components of Change

In July, 1995, California's population stood at about 32.1 million, an increase of 7 percent over the last 5 years. Though the state's population has been increasing year by year in the 1990s, its annual growth rate has slowed to roughly 1.3 percent, well below the 2- to 3-percent level generally found in the 1980s.

Of the three components of change—natural increase, foreign immigration and domestic (interstate) migration—natural increase usually has accounted for the largest portion (though not the majority) of growth from one year to the next. Net foreign immigration has been the second most prominent source of growth, typically accounting for between 35 and 40 percent of annual change over the period. Although domestic migration was the least important contributor to annual population change, accounting for no more than 20 percent from 1980 through 1991, its share rose to as much as one-third of population change in 1992 and fairly close to half in 1994. This four-year net domestic outmovement created the impression for some that the state is actually losing population. However, the state gained, on average, over 400,000 new residents each year.

Mostly-young Immigrants, Middle-aged Boomers, and Ever-older Seniors

Despite the fact that 1990s immigrants are numerous and mostly in the younger adult ages (19-44), the state's population overall is getting older, with a current median age of 32.5 years. This measure has increased a full year since 1990, as contrasted with a smaller median age increase for the entire 1980s decade. It is true that high immigrant fertility levels have helped to augment age-structure effects of the baby boom echo (the large absolute numbers of boomers' children). The proportion of the state's population under age 18, virtually constant during the 1980s, increased a full percentage point (to 28 percent of the total) during the last five years. On the other hand, the population aged 35 and over is getting larger, as the preponderance of native boomers enter middle age, and medical advances and lifestyle changes increase the average remaining years of life following retirement. Since 1990, California's population aged 18-34 has declined to 27 percent of the total, while those aged 35-64 now form over 34 percent.

Continued on page 5

About the article and methods...
continued from page 1

The article uses 1981-95 data from two sources: estimates and projections developed by the Demographic Research Unit (DRU) using decennial census and other state-level data, and California sample data from the March supplement to the Department of Labor's Current Population Survey (CPS) conducted by the U.S. Census Bureau. The survey currently contains 4,500 California households. Several factors impair the utility and reliability of state-level as compared to national estimates. The state estimates were improved by averaging for three five-year periods (1981-86; 1986-90; and 1991-95). This enhances precision and reliability, but at some cost to data interpretability both for individual years and comparisons between specific years.

Due to sampling and other errors, a given CPS estimate is statistically valid within a range of values that becomes proportionately larger as the size of the population being estimated decreases. Under most sample designs, survey estimates for smaller groups are more likely to vary from the group's actual (census) value than estimates for larger groups. For example, a CPS estimate for the entire Black population would be subject to less error than an estimate for a subset of the Black population, such as Black children. More information about CPS methodology and tables of estimation errors may be obtained from Richard Lovelady, our expert source of

California Demographics at Mid-decade 5

...continued from page 4

Younger Immigrants

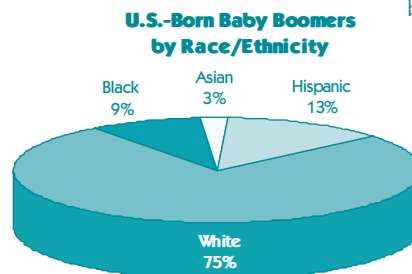
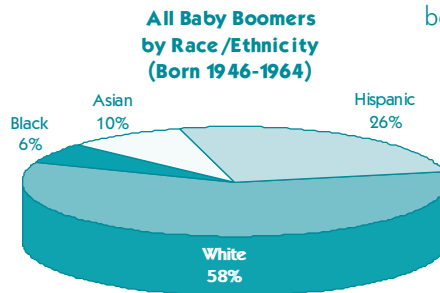
Roughly one-fourth of California residents are foreign-born, with about 20 percent arriving within the last five years. Most immigrants are in the young adult ages on arrival, ready to marry or begin their families, and come from a wide variety of countries, with many different cultures that affect demographic behavior. For example, desired family size varies across groups, generating differences in fertility behavior and consequent marked differences in race/ethnic groups' age distributions. The White population is the oldest, with a median of 37 years, followed by American Indian (33.0), Asian (32.3) and Black (31.3). Hispanics (of any race) are the youngest, with a median age of 25.1 years.

Consistent with their generally younger age, fewer completed years of school, and relatively recent arrival, foreign-born Californians on the whole have lower incomes and are more likely to be in poverty than those born in the U.S. While generational data for 1981-95 show that poverty among immigrants generally declines with increasing years of residence, this is not necessarily true of receipt of public assistance, which varies by race/ethnic group as well as recency of arrival. First-generation Hispanics, for example, appear to be less likely to receive public assistance than their children and grandchildren. This is partly a result of the fact that succeeding generations are more likely to live in single-parent households rather than married-couple families. CPS data also show that some immigrant groups have done better occupationally in California than others over time, but within each group, there is a general tendency for successive generations to get better jobs than their parents.

California's Baby Boomers

The years 1946 through 1964 have long been known in this country as the 'baby boom' years, because of the very large and unexpected number of births occurring in the United States in this period. People born during these years have come to be known as

baby boomers, and much has been written over the years to track their progress. Given this background, it is easy to miss the point that the boom ended almost 32 years ago. As time has passed, people born in other countries during the 1946-1964 period have subsequently immigrated to the United States. Today, all state residents born in these years, both immigrants and U.S.-born persons, comprise California's baby boom cohort.



Unlike the situation in most states, fully one-third of California's boomers were born in foreign countries, so most grew up in settings quite unlike yesteryear California. Differences in cultural backgrounds among boomers, now

aged 31-50, translate into a notably different, more diverse boomer demographic profile for this state than the popularized boomer image would suggest. Boomers born in the United States are more likely to have completed high school or college, more likely to hold the highest paid jobs, more likely to be divorced and less likely to have children still living at home than foreign-born boomers.

Older Californians

The state's population aged 65 and over continues to grow, despite recent net domestic outmigration from this group and relatively few foreign immigrants into it. Though the majority (58 percent) are women, it is becoming more racially and ethnically diverse as the White percentage has dropped from 83 to 76 percent of the total during the last ten years. Despite the fact that 28 percent live alone, less than 8 percent have incomes below the poverty level, the smallest proportion for any major age group. Though boomers will not enter this age group until the next century, its numbers will continue to expand through the rest of the nineties.

Continued on page 6

California Demographics at Mid-decade

...continued from page 5

People 65 and over now account for 83 percent of retired householders, a marked increase over the last decade when the proportion of people retiring prior to 65 was larger. The older population is overwhelmingly White, in contrast to the state's younger age groups, because, until the mid-1960s, a very large proportion of immigrants to the state, as well as of California natives and domestic migrants, were White. The majority of older Californians rely on Social Security for some portion of their income and most also get income from investments. A substantial proportion receives funds from a retirement plan, while 12 percent continue to work, obtaining substantial wage income.

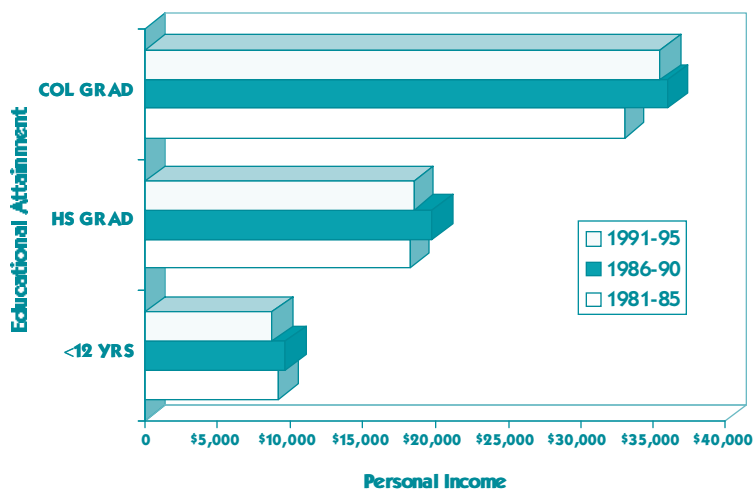
Race and Ethnicity

The last five years have witnessed a slight shift in the state's race and ethnic composition due to changes in both domestic migration and foreign immigration compared to past patterns. Although Hispanics and Asians still constitute the largest portions of foreign immigrants, those coming to California in the nineties include a higher proportion of Whites than was true in the 1980s. White immigrants made up almost a fifth of immigrants during the first half of this decade, up from slightly over one-tenth in the previous years. Over the same period, the Hispanic portion dropped to 52 percent of the total, down from nearly two-thirds of immigrants in the earlier period. On the domestic side, a net outflow to other states has been observed each year since 1992, affecting the percentages of the state's population that are in all race/ethnic groups. Previously, California was famous for its net inflows, an important factor in the size and growth of the state's White and Black populations. The combined effect of foreign and domestic migration over the last several years is that the state's percentages of Asians and Hispanics have grown, while the Black and White percentages have declined (though all race/ethnic groups continue to grow in absolute size).

Educational Attainment

The proportion of Californians aged 25 and over who have graduated from high school is increasing slightly, while the percent graduating from college has remained flat at roughly 25 percent over the last decade. In

Personal Income by Educational Attainment by 5-Year Periods, 1981-1995



addition, the proportions of both Whites and Blacks completing high school are at all-time highs. However, educational level differences continue to be marked among native- versus foreign-born groups. While fewer than 10 percent of natives have not graduated from high school, this percentage is over 40 among non-natives. Similarly, immigrants on the whole are less likely to have graduated from college, though arrivals since 1990 are as likely as natives to have a college diploma due to the recruitment of highly educated foreign workers by high-tech employers. Better educated workers continue to get better and higher paying jobs, with both absolute and real income differences between the best and least well educated increasing in recent years. During the first half of the nineties, college graduates' personal income was about four times that of persons not completing high school, and declines in real income experienced by many workers have hit those with the least education especially hard. Not only do they continue to suffer most in terms of lowered real income, but they also are least likely of all workers to have a retirement plan. Three out of four non-high school graduates live at or near the poverty level, and they are more likely than those with more education both to depend on Medicaid and to lack medical insurance. In the 16-19 age range, about 10 percent of Californians are high school dropouts; about a quarter of these are immigrants arriving in the last five years.

Continued on page 7

California Demographics at Mid-decade *...continued from page 6*

7

Labor Force, Earnings and Income

California's labor force now stands at approximately 15.5 million persons, increasing by 300,000 in the last five years. While the early nineties saw increases in unemployment across the board, recent unemployment rates have dropped back to levels observed in the 1980s. Contrary to public perception, the female percentage of the labor force has not changed in the last 15 years, standing at about 44 percent of the total.

Household Income in Constant (1995) Dollars

	Single Parent Family with Children	Married Couple Family without Children	One Worker Household	Two Worker Household
1981-85	\$19,700	\$43,900	\$30,500	\$44,600
1986-90	21,500	48,900	33,500	50,000
1991-95	19,400	49,500	31,700	50,800

In the first half of the 1990s, the real earnings of most workers dropped. In general, real earnings of white-collar workers increased over this period (though some white-collar groups' earnings have not returned to their highest 1980s levels), while real wages of blue-collar workers have declined. Despite these trends, women are increasingly moving into higher paying jobs, with their numbers in white-collar occupations up 60 percent in the last ten years. White-collar jobs now offer wages that are on average 75 percent higher than blue-collar jobs.

As was true for real earnings, real median household income among Californians also peaked between 1985 and 1990. For the top

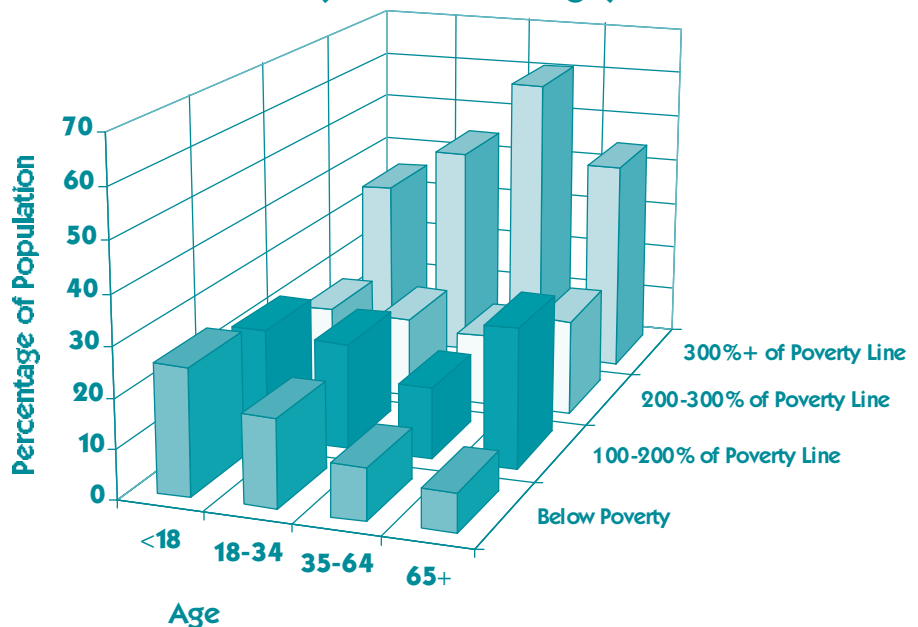
20 percent of households, real incomes have stayed constant or improved in the last five years. Two groups with real median incomes that continue to increase are married couples with no children at home (\$49,500) and households with two earners (\$50,800). Conversely, the median incomes of single-earner households (\$31,700) and single-parent families (\$19,400) have dropped, with the median of the latter group actually lower than in the early eighties.

Poverty and Public Assistance

The proportion of the population in poverty is currently estimated at 18 percent. Over 40 percent of these persons are children. Though single-parent family households account for 28 percent of the population living below the poverty line, and the fastest growing group is younger, never-married mothers with lower educational levels, most children in poverty reside in households with both parents present. This is largely the result of the growth in poverty among Hispanics, who are more likely to maintain intact families. Half of all persons

Continued on page 8

Income Relative to Poverty Line by Major Age Groups (1991-95 Average)





California Demographics at Mid-decade

...continued from page 7

in poverty are now Hispanic, contrasted with 30 percent fifteen years ago. About half the poverty population is composed of persons aged 25 and over who have not completed high school.

Contrary to popular perception, not all recipients of public assistance are in dire want, as depicted in stereotypes, though 60 percent live below the poverty level. The mean amount of money each *individual* recipient gets has declined in the past ten years, despite increasing total numbers of public assistance recipients. Those most likely to receive some form of assistance are children (1 in 6 do), and never-married or divorced single parents.

Households

Households containing both a married couple and their children continue to remain flat as a proportion of all households, while the percentage of single-parent households, especially those with never-married householders, continues to increase. As the population ages, a larger proportion of married couples have no children remaining at home. Single person households are now most likely to be women and those 65 or older. This results mostly from the fact that unmarried persons under 35 are more likely than in the past to still live at home rather than to form their own households. Though many of these younger persons do live in household situations with nonrelatives (for example, share an apartment with one or more friends), the proportion with these living arrangements has not increased in the last ten years.

Finally, household types vary noticeably by race/ethnic group. Blacks have a higher proportion of single-person households than any group, while the typical White household is a married couple without children at home. Asian and Hispanic households are more likely to be composed of married couples with at least one child.

Message from the State Demographer

...continued from page 1

order to save money associated with the very costly operations involved in trying to get census forms from "non-respondents," the Bureau plans to concentrate on collecting information from a sample of these people and use that information to estimate the others.

This plan has been recommended by the National Academy of Sciences; discussed, debated, and endorsed in the demographic and statistical professional communities; and tested in the field during recent test censuses. It is a major innovation with the goal of achieving a less costly, less intrusive, more inclusive census. The planned scientific sampling and estimating procedures would result in one, final and complete, census number which had no undercount.